(f) The details of other major recommendations made by M/s Mc Kinsey and Co. are enclosed as statement.

Statement

Recommendations made by M/s Mc Kinsey and Co. in its report

- Adopting a multi-tiered debt structure and reducing working capital borrowings.
- Optimizing rail movement using a linear programme.
- Consolidating handling and road transportation contracts within regions and outsourcing to large logistic service providers.
- Purchasing consolidated ruquirement of gunny bags through open tender and reimbursing farmers/millers/arthias for supplying paddy in used gunnies.
- Procuring directly at FCI depots or rice mills in Punjab and Haryana.
- Renting excess capacity to third parties, i.e. private grain companies, logistic service providers.
- Appointing 3rd party agency to monitor stock moved by rail and to check transit losses.
- Reimbursing State agencies for stocks carried by them prior to actual delivery to the FCI.
- Revision of staffing norms and initiatives to increase staff productivity.
- Revising incentive norms, balancing labour capacity and retiring excess labour.
- Reducing obligatory expenses by having the market intermediaries perform additional tasks in the mandis.
- Reimbursement of procurement incidentals to State agencies to the bench market to the cost incurred by the FCI; linking custody and maintenance charges to quality of storage infrastructure, and building year to year cost reduction/efficiency improvement clauses in the supplier contracts/MoU with State agencies.

Wheat Stocks

1087. SHRI SANJAY RAUT: Will the Minister of CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION be pleased to state:

(a) whether it is a fact that wheat prices will be raised further in the next

five months as there will be no stock of wheat with Food Corporation of India (FCI) upto March, 2006 around the time the new crop of wheat is expected to arrive in the market;

(b) if so, Government's views and response thereto by indicating the total stock of wheat with Food Corporation of India as on 30th October, 2005; and

(c) the total quantity of wheat sold by FCI under Open Market Supply Scheme in the last nine months indicating its selling price?

THE MINISTER OF STATE IN THE MINISTRY OF CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION (DR.AKHILESH PRASAD SINGH): (a) and (b) As on 1st November, 2005 there was a stock of 90.52 lakh tonnes of wheat in the Central Pool. This stock is sufficient to meet the requirements of the Targetted Public Distribution System (TPDS) and the other Welfare Schemes till the arrival of the next Rabi Crop in 2006. The prices of wheat under the Open Market Sale Scheme (Domestic) have been fixed upto the end of December, 2005 and there is no proposal under the consideration of Government for revising the wheat prices under OMSS (D) before the expiry of this period.

(c) A total quantity of 3.19 lakh tonnes of wheat has been sold under the Open Market Sale Scheme (Domestic) during the period January to October,2005. The Wheat has been sold in the price range of Rs. 610 to Rs.938 per quintal, as applicable for the stocks pertaining to the various crop years categories, in the States/UTs during the said period.

Increasing Supplies Through PDS

1088. SHRI T.T.V. DHINAKARAN: Will the Minister of CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION be pleased to state:

(a) the quantum of rice, wheat and sugar made available through PDS during the last three years State-wise;

(b) whether there is any proposal to increase the supply for PDS; and

(c) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION (DR. AKHILESH PRASAD SINGH): (a) Statement showing State-wise allocation of foodgrains (rice and wheat) through PDS during last three years is enclosed as Statement-I and of sugar as Statement II (*See* below)

(b) There is no proposal to increase the allocation through PDS.

(c) Does not arise.